

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	X	
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<i>In re</i>	:	<b>Chapter 11</b>
	:	
<b>NEWPAGE CORPORATION, et al.,</b>	:	<b>Case No. 11-12804 (KG)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>Jointly Administered</b>
	:	

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**Objection Deadline: December 13, 2012, at 12:00 noon (ET) (requested)**  
**Hearing Date: December 13, 2012, at 12:00 noon (ET) (requested)**

**DEBTORS' MOTION FOR ORDER PURSUANT TO BANKRUPTCY  
RULE 9019 APPROVING STIPULATION BY AND AMONG  
THE DEBTORS AND THE UNITED STATES OF AMERICA  
ESTABLISHING AGREED RESERVE FOR PLAN DISTRIBUTION**

NewPage Corporation ("NewPage") and those of its subsidiaries and affiliates that are title 11 debtors and debtors in possession (collectively, the "Debtors") submit this motion (the "Motion") for an order pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the stipulation (the "Stipulation"), attached hereto as Exhibit A, between the Debtors and the United States of America (the "United States," and together with the Debtors, the "Parties"), and establishing an agreed reserve for distribution under the *Debtors' Fourth Amended Joint Chapter 11 Plan* [Docket No. 2635] (the "Plan") with regard to proof of claim number 2659 ("Claim 2659") filed by the United States. In support of this Motion, the Debtors respectfully represent:

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<sup>1</sup> The Debtors in these chapter 11 cases, and each Debtor's federal tax identification number, are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Debtors' corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

## **Jurisdiction and Venue**

1. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

## **Background**

2. On September 7, 2011 (the “Commencement Date”), each of the Debtors commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their properties as debtors in possession as authorized by sections 1107(a) and 1108 of the Bankruptcy Code.

3. On September 8, 2011, this Court entered an order authorizing the joint administration of the Debtors’ chapter 11 cases pursuant to Bankruptcy Rule 1015(b) and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

4. On September 21, 2011, the Office of the United States Trustee (the “U.S. Trustee”) appointed a statutory creditors’ committee pursuant to section 1102 of the Bankruptcy Code (the “Committee”).

5. On March 2, 2012, the United States, on behalf of the United States Environmental Protection Agency (the “EPA”) and the United States Department of the Interior, filed Claim 2659 against Debtor NewPage Wisconsin System Inc. (“NPWSI”), asserting NPWSI is liable under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) for “the recovery of response costs, natural resource damages, and assessment costs” arising from cleanup efforts at the Lower Fox River and Green Bay Superfund Site (the “Fox River Site”).

6. On March 5, 2012, the United States filed proof of claim number 2668 (“Claim 2668”), which is identical to Claim 2659.

7. On November 7, 2012, the Debtors filed the *Debtors’ Fourth Amended Joint Chapter 11 Plan* [Docket No. 2635] (the “Plan”).<sup>2</sup> As set forth in the Plan, on the Effective Date, each holder of an allowed general unsecured claim at NPWSI shall receive from the Disbursing Agent on account of its claim its pro rata share of the (i) Settlement Cash, and (ii) GD Class 3A Litigation Trust Interests (the “NPWSI Plan Distributions”). See Plan at Section 3.4.4.

### **NewPage’s Businesses**

8. The Debtors and their non-debtor subsidiaries and affiliates (the “Company”) comprise the largest coated paper manufacturer in North America, based on production capacity. Headquartered in Miamisburg, Ohio, NewPage is the Company’s primary operating subsidiary and directly and indirectly owns the other Debtors and various other affiliated non-debtor entities. The Company’s mills primarily produce coated paper, typically used in magazines, magazine covers and inserts, corporate annual reports, high-end advertising brochures, direct mail advertising, coated labels, catalogs, and textbooks. Although the Company also manufactures supercalendered paper, uncoated paper, and specialty labels, coated paper represented approximately 80% of its net sales for the year ended December 31, 2011.

9. Debtor NewPage Port Hawkesbury Holding LLC (“NPPH Holding”) previously owned 100% of the outstanding shares of non-Debtor NewPage Port Hawkesbury Corp. (“NPPH”), which owns a mill in Port Hawkesbury, Canada. NPPH commenced proceedings under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, in the Supreme Court of Nova Scotia, in Halifax, Nova Scotia, on September 9, 2011 (the

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<sup>2</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Plan.

“Canadian Proceeding”). Pursuant to an order of the Supreme Court of Nova Scotia in the Canadian Proceeding, the shares of NPPH held by NPPH Holding were cancelled and new shares were purchased by and reissued to a third party on September 28, 2012.

### **The Fox River Site and the Stipulation**

10. The Fox River Site is an almost 40-mile stretch of northeastern Wisconsin’s Fox River and over a thousand square miles of Green Bay that is alleged to have been contaminated by polychlorinated biphenyls (“PCBs”). As required by CERCLA, the EPA and the Wisconsin Department of Natural Resource (the “WDNR”) have taken certain actions in response to the contamination of the Fox River Site.

11. On October 14, 2010, the United States, on behalf of the EPA and the DOI, and the State of Wisconsin, on behalf of the WDNR, filed a complaint in the United States District Court for the Eastern District of Wisconsin against a number of parties, including NPWSI, seeking to impose joint and several liability for several causes of action related to the Fox River Site (the “Fox River Complaint”). The Fox River Complaint seeks (i) payment of unreimbursed past response costs incurred in connection with the Fox River Site, (ii) a declaratory judgment establishing liability for all future costs of response actions at certain areas of the Fox River Site, and (iii) payment of natural resource damages resulting from the release of hazardous substances at the Fox River Site.

12. The Fox River Complaint asserts NPWSI is liable for the allegations set forth therein because a predecessor of NPWSI, the Appleton Division of Consolidated Papers, Inc., operated a paper production facility (the “Consolidated Facility”) on the Lower Fox River until the 1980s, and that the Consolidated Facility discharged wastewater containing PCBs directly into the Lower Fox River. NPWSI maintains the Consolidated Facility did not produce

any product that would generate PCBs, and, as a result, NPWSI should be a *de minimis* participant to the action, if at all.

13. In Claim 2659, the United States asserts an unliquidated claim arising from NPWSI's alleged joint and several liability, pursuant to CERCLA Sections 107(a) and 107(f), 42 U.S.C. §§ 9607(a) and 9607(f), for: (i) at least \$21,596,010 in unreimbursed response costs related to the Fox River Site, plus interest on such costs; (ii) an estimated \$417 million in future response costs related to certain areas of the Fox River Site, including an estimated \$395 million in remedial action costs and an estimated \$22 million in oversight costs; and (iii) damages in the range of \$239 million to \$378 million, arising from injury to, or destruction or loss of, natural resources resulting from the alleged release of hazardous substances to the environment at the Fox River Site. Moreover, in Claim 2659, the United States additionally asserts protective claims for (i) post-petition liabilities and response costs related to the Fox River Site, and (ii) injunctive obligations to comply with work requirements imposed by law.

14. The Parties are negotiating a resolution to the allegations set forth in Claim 2659 and the Fox River Complaint, but settlement is not yet complete. In the interim, the Parties have entered into the Stipulation to establish an agreed reserve for distribution pursuant to the Plan with regard to Claim 2659. The material terms of the Stipulation are as follows:<sup>3</sup>

- a. Upon the Effective Date, the Reorganized Debtors shall establish a separate dedicated reserve from the NPWSI Plan Distributions in the Litigation Trust in an amount calculated by the Litigation Trustee as if the claim was a Class 3A Claim in the amount of \$5 million (the "Fox River Reserve");
- b. The Fox River Reserve shall be the United States's sole source of recovery from the Debtors, Reorganized Debtors, or Litigation Trustee on account of Claim 2659;

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<sup>3</sup> To the extent there are any inconsistencies between the summary description of the Stipulation contained herein and the terms and conditions of the Stipulation, the terms of the Stipulation control.

- c. Distributions, if any, to the United States with regard to Claim 2659 from the Fox River Reserve shall be made only upon the occurrence of one of the following: : (i) a settlement of Claim 2659 approved by the Bankruptcy Court; (ii) the entry of a final, non-appealable order in the Wisconsin Action determining an amount of liability, if any, in respect of NPWSI's liability, which is the basis for Claim 2659; or (iii) the entry of a final, non-appealable order in the Wisconsin Action determining that NPWSI has no liability for the Fox River Site; and
- d. Claim 2668 will be disallowed as duplicative of Claim 2659 and expunged in its entirety.

### **Relief Requested**

15. By this Motion, the Debtors request an order pursuant to Bankruptcy Rule 9019, substantially in the form attached hereto as Exhibit B, approving the Stipulation as a reasonable compromise.

### **Basis for Relief**

16. The Debtors submit that the Stipulation is in the best interests of their estates and should be approved pursuant to Bankruptcy Rule 9019. Bankruptcy Rule 9019(a) provides that “[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement.” Fed. R. Bankr. P. 9019(a). Compromises are favored in bankruptcy to minimize litigation and expedite a bankruptcy estate’s administration. *See Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996) (“To minimize litigation and expedite the administration of a bankruptcy estate, ‘[c]ompromises are favored in bankruptcy.’” (quoting 9 COLLIER ON BANKRUPTCY ¶ 9019.03[1] (Lawrence P. King ed., 15th ed. 1993))).

17. Approving a settlement “is within the discretion of the bankruptcy court.” *In re World Health Alt., Inc.*, 344 B.R. 291, 296 (Bankr. D. Del. 2006). The court should not conduct a “mini-trial on the merits, but should canvass the issues to see whether the settlement falls below the lowest point in the range of reasonableness.” *Key3Media Grp.*, 336 B.R. at 93

(internal citations omitted). It is not necessary that the settlement be the best possible compromise, only that it is reasonable. *See World Health*, 344 B.R. at 296; *see also Official Unsecured Creditors' Comm. of Pa. Truck Lines, Inc. v. Pa. Truck Lines, Inc. (In re Pa. Truck Lines.)*, 150 B.R. 595, 598 (E.D. Pa. 1992), *aff'd*, 8 F.3d 212 (3d Cir. 1993).

18. Courts in the Third Circuit also consider the following four criteria when faced with a proposed settlement: “(1) the probability of success in the litigation; (2) the likely difficulties in collection; (3) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (4) the paramount interest of the creditors.” *In re Martin*, 91 F.3d at 393; *In re Nutraquest, Inc.*, 434 F.3d at 644-45.

19. As set forth in the Plan, the Debtors are reserving sufficient funds to make distributions to all holders of disputed general unsecured claims entitled to distributions in accordance with the provisions of the Plan and the Litigation Trust Agreement (as defined in the Plan), to the extent such disputed claims are allowed. *See Plan at Section 1.2.48*. The expected recovery for general unsecured claims against NPWSI is 5.2%. *See Disclosure Statement for Debtors' Fourth Amended Joint Chapter 11 Plan*, dated November 7, 2012 [Docket No. 2639] at Section II.C. Reserving the required amount for Claim 2659 would significantly impact the initial NPWSI Plan Distributions, and is unnecessary, considering both NPWSI maintains it is no more than a *de minimis* participant and the ongoing negotiations between the Parties regarding the resolution of the allegations set forth in Claim 2659 and the Fox River Complaint. Given the foregoing, the Debtors submit entering into the Stipulation falls well within the range of reasonableness and should be approved in all respects.

### **Notice**

20. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this Motion has been provided by overnight delivery, facsimile, hand delivery, and/or

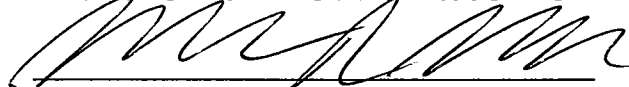
electronic mail to the following parties: (i) the Office of the U.S. Trustee; (ii) attorneys for JPMorgan Chase, N.A., as administrative agent for the debtor in possession financing; (iii) attorneys for Wells Fargo Capital Finance LLC, as administrative agent for the prepetition senior secured revolver; (iv) attorneys for Bank of New York Mellon, as indenture trustee for the 11.375% senior secured first-lien notes due 2014; (v) attorneys for Wilmington Trust, National Association, as indenture trustee for the 10% fixed rate senior secured second lien notes due 2012 and the floating rate senior secured second lien notes due 2012; (vi) attorneys for HSBC Bank USA, National Association, as the indenture trustee for the 12% senior unsecured subordinated notes due 2013; (vii) attorneys for U.S. Bank, National Association, as the indenture trustee for the floating rate senior unsecured PIK notes due 2013; (viii) attorneys for Deutsche Bank Trust Company Americas, as indenture trustee for the floating rate senior unsecured PIK notes due 2015; (ix) attorneys for the informal group of certain holders of the 10% fixed rate senior secured second lien notes and floating rate senior secured second lien notes; (x) attorneys for the Committee; (xi) the United States; and (xii) all parties requesting notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1(b) as of the date of this Motion. The Debtors submit that no other or further notice need be provided.



WHEREFORE the Debtors respectfully request entry of an order, substantially in the form attached hereto as Exhibit B, approving the Stipulation pursuant to Bankruptcy Rule 9019, and granting the Debtors such other and further relief as the Court deems just and proper.

Dated: December 10, 2012

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**Exhibit A**  
**Stipulation**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	X	
	:	
<i>In re</i>	:	<b>Chapter 11</b>
	:	
NEWPAGE CORPORATION, <i>et al.</i> ,	:	<b>Case No. 11-12804 (KG)</b>
	:	
Debtors. <sup>1</sup>	:	<b>Jointly Administered</b>
	:	
	X	

**STIPULATION BY AND AMONG THE DEBTORS AND THE UNITED STATES  
OF AMERICA ESTABLISHING AGREED RESERVE FOR PLAN DISTRIBUTION**

This stipulation (this “Stipulation”) is made and entered into by and among NewPage Corporation (“NewPage,” together with certain of its subsidiaries and affiliates, as debtors and debtors in possession, the “Debtors”) and the United States of America (the “United States,” and, together with the Debtors, the “Parties”) to establish an agreed reserve for distribution under the *Debtors’ Fourth Amended Joint Chapter 11 Plan* [Docket No. 2635] (the “Plan”) with regard to proof of claim number 2659 (“Claim 2659”) filed by the United States.

**RECITALS**

WHEREAS, on September 7, 2011 (the “Commencement Date”), each of the Debtors commenced a voluntary case under title 11 of the United States Code (the “Bankruptcy Code”); and

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Debtors’ corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

WHEREAS, on March 2, 2012, the United States, on behalf of the United States Environmental Protection Agency and the United States Department of the Interior, filed Claim 2659 against Debtor NewPage Wisconsin System Inc. (“NPWSI”), asserting NPWSI is liable under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) for “the recovery of response costs, natural resource damages, and assessment costs” arising from cleanup efforts at the Lower Fox River and Green Bay Superfund Site (the “Fox River Site”); and

WHEREAS, in Claim 2659, the United States asserts, among other things, that, pursuant to CERCLA Sections 107(a) and 107(f), 42 U.S.C. §§ 9607(a) and 9607(f), NPWSI is jointly and severally liable for (i) at least \$21,596,010 in unreimbursed response costs incurred for the Fox River Site, plus interest on such costs; (ii) an estimated \$417 million in future response costs related to certain areas of the Fox River Site, including an estimated \$395 million in remedial action costs and an estimated \$22 million in oversight costs; and (iii) damages in the range of \$239 million to \$378 million, arising from injury to, or destruction or loss of, natural resources resulting from the alleged release of hazardous substances to the environment at the Fox River Site; and

WHEREAS, in Claim 2659, the United States further asserts protective claims for (i) post-petition liabilities and response costs related to the Fox River Site, and (ii) injunctive obligations to comply with work requirements imposed by law; and

WHEREAS, on March 5, 2012, the United States filed proof of claim number 2668 (“Claim 2668”), which is identical to and duplicative of Claim 2659; and

WHEREAS, the Debtors dispute any liability associated with the Fox River Site and Claims 2659 and 2668; and

WHEREAS, on November 7, 2012, the Debtors filed the *Debtors' Fourth Amended Joint Chapter 11 Plan* [Docket No. 2635] (the "Plan");<sup>2</sup> and

WHEREAS, as set forth in the Plan, on the Effective Date, each holder of an allowed general unsecured claim at NPWSI shall receive from the Disbursing Agent on account of its claim its pro rata share of the (i) Settlement Cash, and (ii) GD Class 3A Litigation Trust Interests (the "NPWSI Plan Distributions"), *see* Plan at Section 3.4.4; and

WHEREAS the Parties are negotiating a resolution to the allegations set forth in Claim 2659, which are also the basis of an action currently pending in the United States District Court for the Eastern District of Wisconsin, Case Number 10-C-910 (the "Wisconsin Action"), and have agreed to the terms set forth in this Stipulation;

NOW, THEREFORE, in consideration of the foregoing, the Parties hereby stipulate and agree, subject to Bankruptcy Court approval, that:

#### **AGREEMENT**

1. The above recitals are true and correct and are incorporated herein by reference.
2. Upon the Effective Date, the Litigation Trustee shall establish a separate dedicated reserve from the NPWSI Plan Distributions in the Litigation Trust in an amount calculated by the Litigation Trustee as if the claim was a Class 3A Claim in the amount of \$5 million (the "Fox River Reserve"). The Fox River Reserve shall be the United States's sole source of recovery from the Debtors, Reorganized Debtors, or Litigation Trustee on account of Claim 2659.

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<sup>2</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Plan.

3. Distributions, if any, to the United States with regard to Claim 2659 from the Fox River Reserve shall be made only upon the occurrence of one of the following: (i) a settlement of Claim 2659 approved by the Bankruptcy Court; (ii) the entry of a final, non-appealable order in the Wisconsin Action determining an amount of liability, if any, in respect of NPWSI's liability, which is the basis for Claim 2659; or (iii) the entry of a final, non-appealable order in the Wisconsin Action determining that NPWSI has no liability for the Fox River Site (in any such event, a "Resolution").

4. Unless otherwise agreed in writing by the Parties, the Fox River Reserve shall be maintained and not released until (i) Claim 2659 is deemed allowed in accordance with the Plan, or (ii) a Resolution determining NPWSI has no liability at the Fox River Site. In the event the latter occurs, the Fox River Reserve shall be released to the Litigation Trust. If Claim 2659 is ultimately allowed in an amount less than \$5 million, after NPWSI Plan Distributions are made to the United States from the Fox River Reserve, the balance of the Fox River Reserve shall be released to the Litigation Trust.

5. Claim 2668 will be disallowed as duplicative of Claim 2659 and expunged in its entirety.<sup>3</sup>

6. This Stipulation is a compromise setting an upper limit and cap on distributions under the Plan in respect of Claim 2659. Nothing contained herein shall be deemed an admission or concession by any party as to the extent, validity, or merits of any fact or claim

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<sup>3</sup> On November 19, 2012, the Debtors filed the *Debtors' Twenty-Third Omnibus Objection, Pursuant to Sections 105 and 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1, to Claims (Non-Substantive)* [Docket No. 2706], by which the Debtors objected to Claim 2668 as duplicative of Claim 2659.

asserted in the Wisconsin Action or any related litigation. The establishment of the Fox River Reserve is without prejudice to any of the rights, claims, and/or defenses of the Parties in the Wisconsin Action or any related litigation, *provided, however*, that, to the extent the Fox River Reserve is insufficient to satisfy any judgment against NPWSI in the Wisconsin Action, the United States waives and shall be forever barred from asserting any right to payment on account of such deficiency from the Litigation Trust, the Debtors, Reorganized Debtors, and, as applicable, their successors in interest, or any of their respective assets.

7. The execution, delivery, and effectiveness of this Stipulation shall not, except as expressly provided herein, operate as a waiver of any right, power, or remedy of any party.

8. The Parties agree to seek immediate approval of this Stipulation by the Bankruptcy Court, and this Stipulation will not be effective until such approval is obtained. In the event this Stipulation is not approved by the Bankruptcy Court, this Stipulation shall be of no force and effect and none of its provisions will be deemed to prejudice or impair any of the Parties' respective rights and remedies nor may it be used in any way against any of the Parties hereto in any litigation or contested matter.

9. This Stipulation constitutes the entire agreement between the Parties hereto relating to the Fox River Reserve, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, with respect to all or any part of the subject matter of this Stipulation are superseded by this Stipulation and shall be of no further force or effect.

10. The Parties hereto have each cooperated in drafting this Stipulation. Therefore, in any action or proceeding concerning this Stipulation, the provisions hereof shall be construed as if jointly drafted by the Parties hereto.

11. Each person who executes this Stipulation represents that he or she is duly authorized to execute this Stipulation on behalf of the respective Parties hereto and that each such party has full knowledge and has consented to this Stipulation.

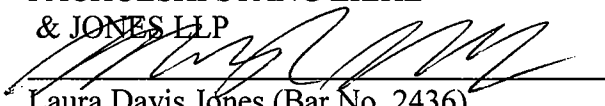
12. This Stipulation may not be modified other than by a signed writing executed by the Parties hereto or by further order of the Bankruptcy Court. This Stipulation may be executed in one or more counterparts, any of which may be transmitted by facsimile or electronic transmission, and each of which shall be deemed an original, but all of which together shall constitute one and the same document.



**CONSENTED AND AGREED TO BY:**

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Dated: December 4, 2012

**FOR THE UNITED STATES OF  
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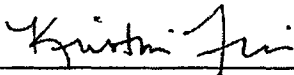
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Dated: November \_\_, 2012

**FOR THE UNITED STATES OF  
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Dated: November \_\_, 2012

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/s/ M. Blake Cleary

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*Co-Attorneys for the Official Committee of  
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Dated: December 10, 2012

**FOR THE UNITED STATES  
ENVIRONMENTAL PROTECTION  
AGENCY**

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Assistant Administrator for the Office of

Enforcement and Compliance Assurance

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Dated: November \_\_, 2012

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*Co-Attorneys for the Official Committee of  
Unsecured Creditors*

Dated: November \_\_, 2012

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ENVIRONMENTAL PROTECTION  
AGENCY**

  
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for Director, Office of Site Remediation  
Enforcement  
U.S. Environmental Protection Agency

  
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Ariel Rios Building  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Dated: <sup>Dec</sup> November 7, 2012

**Exhibit B**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

-----x	:	
<i>In re</i>	:	<b>Chapter 11</b>
	:	
<b>NEWPAGE CORPORATION, <i>et al.</i>,</b>	:	<b>Case No. 11-12804 (KG)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>Jointly Administered</b>
	:	
-----x	:	<b>Re: Docket No. ____</b>

**ORDER APPROVING STIPULATION BY AND AMONG THE  
DEBTORS AND THE UNITED STATES OF AMERICA  
ESTABLISHING AGREED RESERVE FOR PLAN DISTRIBUTION**

Upon the motion dated December 10, 2012 (the “Motion”)<sup>2</sup> of NewPage Corporation (“NewPage”) and those of its subsidiaries and affiliates which are title 11 debtors and debtors in possession (collectively with NewPage, the “Debtors”), requesting an order approving the stipulation annexed to the Motion as Exhibit A (the “Stipulation”) between the Debtors and the United States of America (the “United States,” and, together with the Debtors, the “Parties”), establishing an agreed reserve for distribution under the *Debtors’ Fourth Amended Joint Chapter 11 Plan* [Docket No. 2635] (the “Plan”) with regard to proof of claim number 2659 (“Claim 2659”) filed by the United States, all as more fully described in the Motion; and the Court having subject matter jurisdiction to consider the Motion and to issue the relief requested therein in accordance with 28 U.S.C. § 1334; and the Motion and the relief

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<sup>1</sup> The Debtors in these chapter 11 cases, and each Debtor’s federal tax identification number, are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Debtors’ corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

requested therein being a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2); and due and proper notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is:

ORDERED that the Motion is granted as may be modified herein; and it is further

ORDERED that, pursuant to Bankruptcy Rule 9019, the Stipulation is approved in its entirety and all of its terms are incorporated herein by reference (and the failure to specifically described or include herein any particular provision in the Stipulation shall not diminish or impair the effectiveness of such provision); and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that neither the Debtors, nor the United States, nor any other party to the Stipulation shall take any act or action that is inconsistent with the Stipulation; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Dated: \_\_\_\_\_, 2012  
Wilmington, Delaware

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The Honorable Kevin Gross  
Chief Judge, United States Bankruptcy Court